



City of Cincinnati

**DEPARTMENT OF
COMMUNITY
DEVELOPMENT
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**GROW
AMERICA
FUND™**

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**GROW
AMERICA
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The Grow Cincinnati Fund



Flexible Term Loan Financing



Grow Cincinnati Fund

The Grow Cincinnati Fund is a unique economic development partnership between the City of Cincinnati and the Grow America Fund, Inc. (GAF).

The Grow America Fund (GAF) is a wholly-owned affiliate of the National Development Council (NDC), one of the nation's oldest not-for-profit corporations specializing in community, economic and public facility development. The Grow America Fund, a nationally recognized Small Business Lending Company has also received designation as both a New Markets Tax Credit program Community Development Entity and Community Development Financial Institution by the United States Department of the Treasury, CDFI Fund.

The NDC and its affiliates provide both consulting services, and access to capital that promote the creation and retention of jobs, affordable housing and public facility projects in more than 120 communities throughout the Continental United States and Puerto Rico.

How Grow Cincinnati Operates

The City of Cincinnati and the Grow America Fund have established and capitalized the Grow Cincinnati Fund as an economic development tool designed to assist eligible small businesses within Cincinnati obtain the financing required to grow their businesses. In order to qualify for these loans, a business must be for-profit and meet the National Objective for job creation/retention, low-moderate income area benefit, or the prevention/elimination of slum and blight. Grow Cincinnati will look to finance healthy, successful small businesses that need expansion capital.

Loans made under this program will be underwritten by the Grow America Fund and guaranteed by the Small Business Administration (SBA) under GAF's Small Business Lending Company License. Therefore, each loan must comply with SBA guidelines and procedures.

Specifics...

Loan Amount, Rate and Term

The Grow Cincinnati Fund can make loans ranging from \$35,000 to \$1 million as permitted by the US SBA, at or below market rates, for terms up to 25 years depending on proposed use of funds.

Use of Proceeds

Loan proceeds may be used for any legitimate business purpose, including working capital, machinery and equipment, acquisition of land and building, construction, renovations and tenant improvements. Grow Cincinnati however, does not provide venture capital and cannot provide funds for research and development or to satisfy equity or near-equity needs.

Collateral

All loans must be adequately collateralized. Personal guarantees of the owners are required.

More on Terms

*The typical structure:
Working Capital : 3-10 years (normally 5-7 years)
Machinery & Equipment: 5-10 years or life of the asset
Tenant Improvements: term of the lease
Acquisition of Real Estate: Up to 25 Years
Construction/Renovations: Up to 25 years*

What does Grow Cincinnati Offer a Borrower?

Grow Cincinnati offers affordable growth capital on advantageous terms to borrowers who create jobs and investment in our community.

Does Grow Cincinnati Compete with Local Banks and Other Lenders?

No. Grow Cincinnati is meant to complement, not replace, existing sources of financing. Therefore, GAF encourages the borrower's bank or other lenders to participate in providing a portion of the total financing. Grow Cincinnati always works with existing lenders to structure the best financing available for the borrower.

Finally,

as any other lender, the Grow Cincinnati Fund will operate according to prudent lending practices.

Application Process

Information Required

- ☐ A brief description of the project, including proposed sources and uses of funds
- ☐ Corporate Financial Statement or Tax Returns for previous 3 years
- ☐ Current Financial Statement (may be an in-house statement)
- ☐ A Personal Financial Statement of all principals who own more than 20% of company stock
- ☐ A Credit Release, authorizing GAF and the Grow Cincinnati Fund to obtain personal and corporate credit reports

We have made the application process simple and straight forward. Our staff is readily available to assist you through the application process.

For more information and an application package please contact:



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